

ORIGINAL
OPEN MEETING



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MEMORANDUM

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Arizona Corporation Commission

TO: THE COMMISSION

DOCKETED

2011 APR -6 P 2:42

FROM: Utilities Division

APR - 6 2011

DATE: April 6, 2011

DOCKETED BY

[Signature]

COMMISSION
DOCKET CONTROL

RE: IN THE MATTER OF THE APPLICATION OF UTILITY SOURCE, L.L.C. FOR A
CERTIFICATE OF CONVENIENCE AND NECESSITY (DOCKET NOS.
WS-04235A-04-0073 AND WS-04235A-04-0074)

On January 30, 2004, Utility Source, L.L.C. ("Company") filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide water and wastewater service in Coconino County, Arizona. On January 4, 2005, the Commission issued Decision No. 67446 granting a CC&N conditioned upon compliance with the Decision.

One of the conditions was that the Company obtain a performance bond as a measure of protection for customers. This condition was placed upon the Company due to its lack of experience in operating water and wastewater systems. Also, the Company had been operating a system without a CC&N for some time and was out of compliance with the Arizona Department of Water Quality ("ADWR") and the Arizona Department of Environmental Quality ("ADEQ"). The Commission ordered that the Company obtain a bond in the amount of \$250,000 and to maintain such bond until otherwise ordered by the Commission.

On January 26, 2011, the Company filed a letter respectfully requesting that the Commission consider eliminating the requirement for the Company to maintain said bond. On March 30, 2011, the Commission voted to grant a time extension until June 1st for the Company to either renew its bond or for Staff to review the request and recommend to the Commission whether or not to release the bond requirement.

Based on its analysis, Staff has concluded that the Company is in compliance with Decision No. 67446, ADWR, and ADEQ. Staff, therefore, recommends that the Commission issue an Order eliminating the requirement for the Company to maintain a performance bond.

for *[Signature]*
Steven M. Olea
Director
Utilities Division

SMO:KDB:lhmlJMA

Originator: Kimberly Battista

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 GARY PIERCE
Chairman

3 BOB STUMP
Commissioner

4 BRENDA K. BURNS
Commissioner

5 PAUL NEWMAN
Commissioner

6 SANDRA D. KENNEDY
Commissioner

7
8 IN THE MATTER OF THE APPLICATION
UTILITY SOURCE, L.L.C. FOR A
9 CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER
10 SERVICE IN COCONINO COUNTY,
11 ARIZONA
12

DOCKET NO. WS-04235A-04-0073
DOCKET NO. WS-04235A-04-0074

DECISION NO. _____

FINAL ORDER

13
14 Open Meeting
April 12, 2011
15 Phoenix, Arizona

16 BY THE COMMISSION:

17 Having considered the entire record herein and being fully advised in the premises, the
18 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

19 FINDINGS OF FACT

20 1. On January 30, 2004, Utility Source, L.L.C. ("Utility Source" or "Company") filed
21 an application for a Certificate of Convenience and Necessity ("CC&N") to provide water and
22 wastewater service in Coconino County, Arizona.

23 2. On January 4, 2005, the Commission issued Decision No. 67446 granting a CC&N
24 conditioned upon compliance with the Decision.

25 3. One of the conditions was that the Company obtain a performance bond as a
26 measure of protection for customers. This condition was placed upon the Company due to its lack
27 of experience in operating water and wastewater systems.

28 ...

8. Staff's recommendations are reasonable and shall be adopted.

CONCLUSIONS OF LAW

2. The Commission has jurisdiction over Utility Source and of the subject matter of the application.

ORDER

IT IS THEREFORE ORDERED that Utility Source, L.L.C. request for elimination of the performance bond originally issued in Decision No. 67446 is hereby approved.

...

IT IS FURTHER ORDERED that all other requirements of Decision No. 67446 shall remain in effect.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of _____, 2011.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

SMO:KDB:lh\JMA

SERVICE LIST FOR: UTILITY SOURCE, L.L.C.

DOCKET NO.: WS-04235A-04-0073 and WS-04235A-04-0074

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